

To: City of Sisters Planning Commission
From: Tammy Wisco, Retia Consult on behalf of Three Sisters Holdings
Date: July 16, 2020
Subject: CP 20-02/ZM 20-01 Draft Recommended Conditions of Approval

This memo is provided in response to the staff's amended recommended conditions of approval for CP 20-02/ZM 20-01. While the impact fees are considerably higher than expected (\$173k, plus installation of 12" waterline and telemetry equipment), the applicant has chosen to not dispute the amounts. The applicant has been a long-time resident and developer in the area and intends to contribute as appropriate to the City, both through the direct benefits of the project and the required impact fees.

However, we respectfully request that the timing of the payment of these fees be reconsidered, as well as the recommended trip cap and EDU caps.

Timing of Payments

The impact fees are assigned to mitigate impacts of future development, and should be borne at the time of the impact. As currently structured in the draft conditions of approval, most of the fees are required to be paid prior to any development, causing a significant financial burden before a single lot can be sold.

The future subdivision is expected to occur in three phases of approximately equal size. The applicant requests that the impact fees be prorated and payable over these three phases. While the development is expected to begin as soon as possible and continue steadily, given the current uncertainty of the world economy and policy, it is requested that payments be phased based on development timing, and not based on calendar timing.

Trip Cap

The draft conditions include a trip cap of 201 vehicles. The transportation analysis was drafted, in coordination with City staff, to create a reasonable worst case scenario to avoid a cap. The trip cap creates significant uncertainty for the applicant, particularly for the development many years down the road. While it is not anticipated that the development will exceed the cap, it is impossible to foresee future turnover within the development, which is outside the control of the developer, potentially leaving a lot or few lots at the end of the development with no capacity and therefore, limited value. Having to complete a new traffic analysis in 20 years will surely result in significantly higher costs that would deter a business from moving forward on the remaining lot(s).

Staff has indicated that the proposed trip cap is not a typical trip cap, but rather, a trip vesting tool, such that no additional traffic analyses will be required of the development until 201 trips are reached. This needs to be documented in the conditions, for long-term clarity. In addition, the applicant requests that a per trip fee be assigned for trips above 201. For every trip over 201, the developer would pay an additional \$491/trip (\$98,604 /201 trips), should the development exceed 201 trips in the future. A proposed additional condition could read:

No additional transportation analysis or mitigation beyond the above pro-rata payment will be required provided the trip generation of the subject property does not exceed 201 PM peak hour primary trips. Should development of the subject property exceed 201 PM peak hour primary trips before site build out, additional PM peak hour primary trips will incur an additional fee of \$491 per trip (\$98,604/201 trips). Payment of this per-trip fee shall be in lieu of any additional transportation analysis and/or mitigation requirements.

EDU Caps

The water and sewer analyses were conducted based on numerous assumptions, including a conservative increased wastewater design flow per EDU at the request of the City. Based on the City's request, the assumed wastewater design flow was changed in the analysis to 165 gpd/EDU, rather than the 125 gpd/EDU in the wastewater master plan and public works design standards (a 32% increase). This conservative approach significantly increased the resulting wastewater impacts for the reasonable worst case scenario, which was the basis for the impact fees.

Based on conversation with City staff on 7/14, it is the applicant's understanding that the City has agreed to remove the EDU cap from the recommended water and sewer conditions. For the water condition, the Applicant understands that the City is requiring adequate flows and fire pressure for every site plan, however, the condition appears to include additional efforts that are not necessary to verify these items. For clarity, proposed revised conditions are listed below which we believe accomplish what the City is requesting.

For the sewer condition, the applicant agrees that the EDU count may be the most straightforward method to manage sewer flows and has suggested a revised condition to this regard.

Telemetry Dollar Amount/Time Limit

The condition to require the applicant to install telemetry equipment in PS 2 and PS 4 does not include a dollar amount for the contribution. It is important that the applicant have certainty of the magnitude of the fee, rather than an open-ended requirement. The applicant also requests that the condition allow the posting of a bond for this equipment, for a certain dollar amount and time. Based on estimates received by the applicant, we propose a maximum cost of \$6000 for up to three years. This dollar amount is significantly greater than the applicant's proportional share of flow in these pump stations. Based on conversations with City staff, it is understood that the sewer system may be redirected in this area in the near future and the telemetry might not be required. In this case, the bond should be cancelled and the condition removed.

SDC Credits

A few of the conditions require improvements that are SDC creditable, as they are included in the City's CIP and master plans as SDC funded. The applicant requests that the SDC creditable improvements be listed as such in the draft conditions:

- PS 1 upgrade (\$1,372)
- Locust Interceptor Improvement Fee (\$19,546)

Similarly, as noted in the Public Works review comments, the City has agreed to reimburse the cost of upsizing the waterline from 8" to 12", if the project demonstrates that it only needs an 8-inch line. The applicant requests this be documented in the condition.

To summarize, the staff recommended conditions of approval are outlined below, with proposed changes tracked.

Transportation

3. A payment of \$98,604 shall be provided as Applicant's proportionate share of improvements along US 20 and the parallel Alternate Route to support east-west mobility needs along the US 20 corridor. ~~This fee shall be prorated and paid in phases aligning with the timing and size of the phased platting. Half of the payment shall be due at the time of Master Plan application. The remaining half of the payment shall be due prior to approving a building permit for development on the subject property that would exceed 100 PM peak hour trips in the aggregate.~~

4. ~~No additional transportation analysis or mitigation beyond the above pro-rata payment will be required provided the trip generation of the subject property does not exceed 201 PM peak hour primary trips.~~

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~~Should development of the subject property cannot exceed 201 PM peak hour primary trips before site build out, additional PM peak hour primary trips will incur an additional fee of \$491 per trip (\$98,604/201 trips). Payment of this per-trip fee shall be in lieu of any additional transportation analysis and/or mitigation requirements, without additional transportation analysis and, if applicable, additional mitigation.~~ A trip debiting memo shall be required for each site plan concerning the subject property.

5. Transportation System Development Charges still apply to this property and will be assessed at the time of site plan application and/or building permit.

Water

6. Prior to recording the initial land division plat or issuance of the initial building permit, Applicant shall construct a 12" water main extending from the existing water main at the northeast corner of the Ponderosa Lodge to the existing water main in North Pine Street, per the City Water Capital Facilities Plan. Notwithstanding the foregoing, a phasing plan for construction of the water main may be approved as part of a master plan for the subject property. Reimbursement for cost of construction of this water main upsized from 8" to 12" may be submitted to the City if the developer is able to provide evidence that the development on the property does not require 12" water main to provide adequate domestic and fire flows.

7. The applicant must pay \$705.45 per EDU, payable at the time of building permit issuance, to mitigate impacts to water supply.

8. ~~Each Site Plan application shall confirm that adequate water pressure and fire flow is available to serve the subject property. A stamped engineering memo must be included as part of each site plan application indicating the number of EDUs proposed, total EDUs for all development on the subject property to date, daily and peak water demand for the development on the subject property to date, and confirmation of required system pressure at peak demand for the development subject to site plan approval and for development on the subject property to date.~~ If required system pressures cannot be met within any part of the overall development of the subject property, proportional mitigation satisfactory to the City shall be required prior to the issuance of any building permits in furtherance of the proposed site plan.

9. Water System Development Charges still apply to this property and will be assessed at the time of site plan application and/or building permit.

Sewer

10. Prior to recording the initial land division plat or issuance of the initial building permit, applicant will contribute \$1,372 toward Pump Station #1 upgrades. This payment will be eligible for SDC credits.

11. ~~Prior to recording the initial land division plat or issuance of the initial building permit,~~ Applicant will contribute \$19,546 toward Locust Interceptor Improvements. This fee shall be prorated and paid in phases aligning with the timing and size of the phased platting. This payment will be eligible for SDC credits.

12. Prior to recording the initial land division plat or issuance of the initial building permit, developer shall install telemetry equipment at Pump Station #2 and Pump Station #4 to eliminate simultaneous pumping or pay a fee in lieu or bond in ~~an amount determined by the City Engineer. the amount of \$6000. The bond shall be valid for three years. Upon expiration of the three years, if the City has not installed the telemetry equipment, the condition shall be removed.~~

13. ~~Prior to recording the initial land division plat or issuance of the initial building permit,~~ Applicant will contribute \$27,027 towards Pump Station #2 wet well capacity improvements and an emergency backup generator. This fee shall be prorated and paid in phases aligning with the timing and size of the phased platting.

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14. ~~Each Site Plan application shall confirm the number of EDU's proposed and cumulative EDU's of the development. If 37.4 total EDU's are exceeded, the applicant shall verify adequate capacity is available and, if not, proportional mitigation satisfactory to the City shall be required prior to building permit issuance. A stamped engineering memo must be included as part of each site plan application indicating the number of EDUs proposed, total EDUs for all development on the subject property to date, average daily sewer flow for the proposed development and all development on the subject property to date, and peak flow for the proposed development and all development on the subject property to date. If peak flows exceed maximum operating conditions as determined by AWWA guidelines applicant shall be required to provide mitigation satisfactory to the City prior to any building permits in furtherance of the proposed site plan.~~

15. Sewer System Development Charges still apply to this property and will be assessed at the time of site plan application and/or building permit.

Thank you for your thoughtful consideration. We appreciate the time that City staff has spent coordinating with us on this exciting and much needed project for economic development in Sisters.